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The Supreme Court of the United States

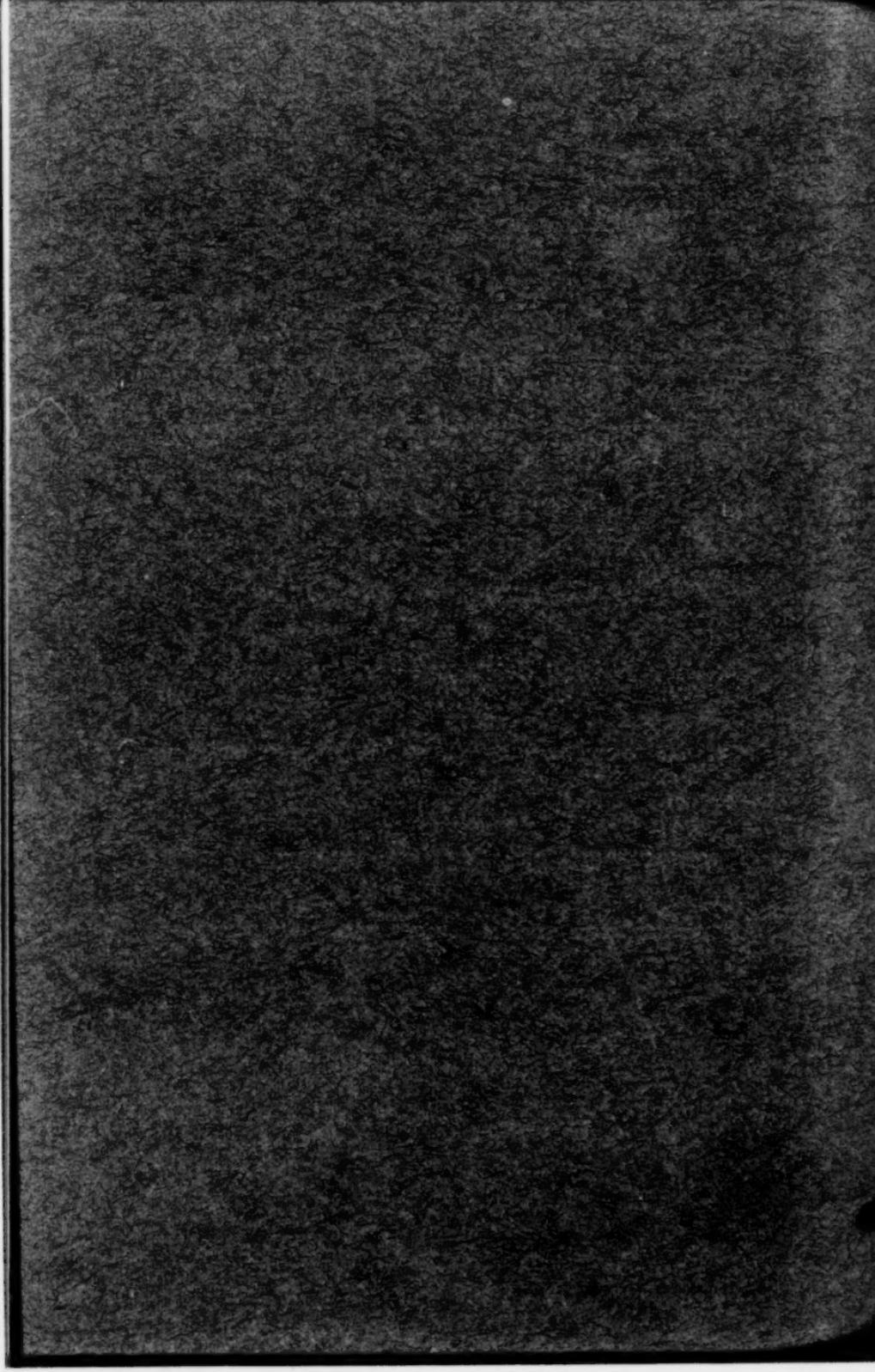
OCTOBER TERM, 1944

ROCKAWAY BANKING CO., PLAINTIFF,

Conway P. COX, DEFENDANT.

ON CERTIORARI TO THE UNITED STATES COURT OF APPEALS
FOR THE THIRD CIRCUIT, FROM A JUDGMENT OF THE
SIXTH CIRCUIT COURT OF APPEALS.

1944



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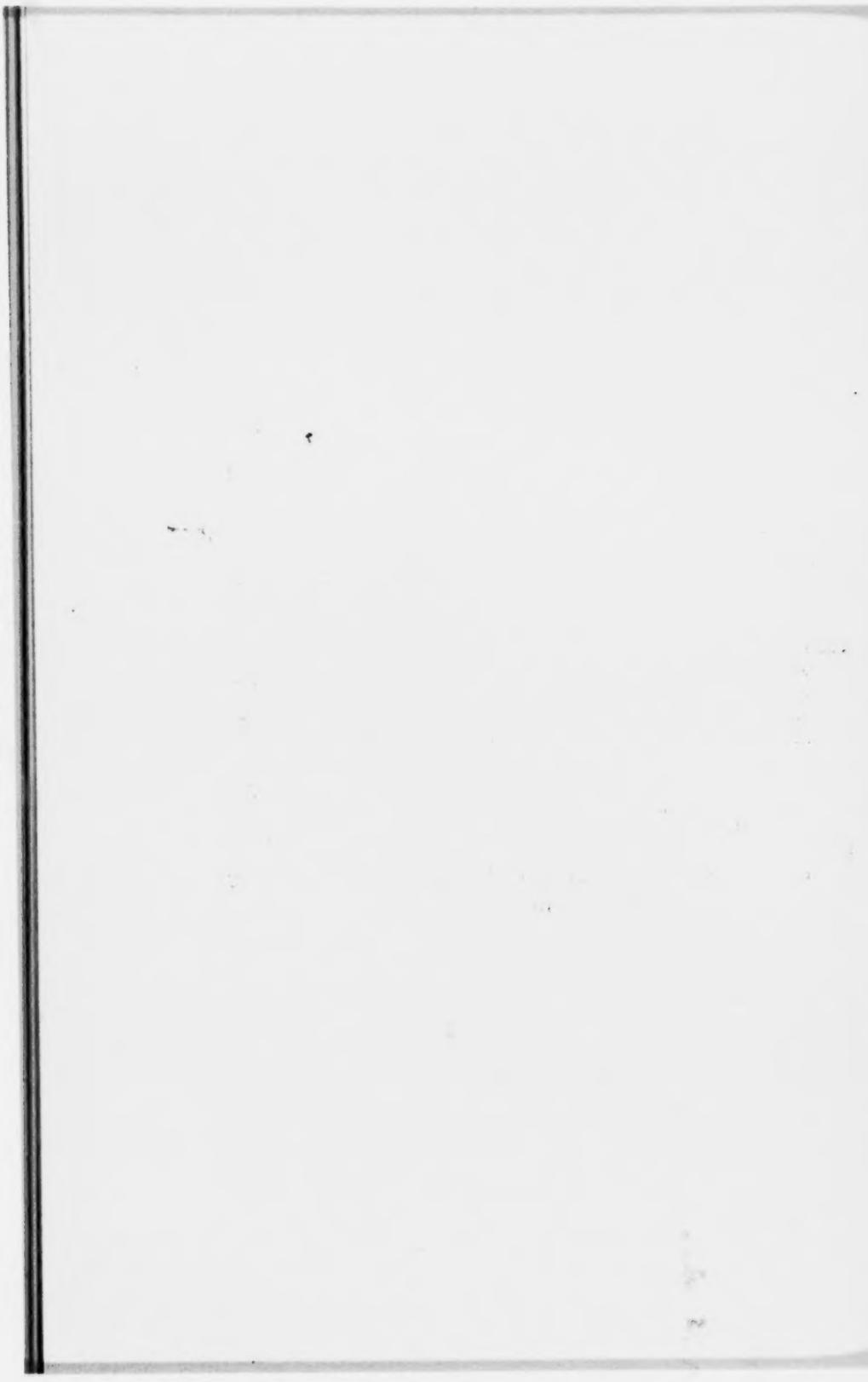
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(II)



In the Supreme Court of the United States

OCTOBER TERM, 1944

No. 310

SINCLAIR REFINING CO., PETITIONER

v.

CONWAY P. COE, COMMISSIONER OF PATENTS

*ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED
STATES COURT OF APPEALS FOR THE DISTRICT OF
COLUMBIA*

BRIEF FOR RESPONDENT IN OPPOSITION

OPINIONS BELOW

The findings of fact and conclusions of law of the District Court of the United States for the District of Columbia (R. 10-12) were entered without an opinion. The opinion of the United States Court of Appeals for the District of Columbia (R. 498) is reported in 142 F. (2d) 569.

JURISDICTION

The judgment of the Court of Appeals was entered May 1, 1944 (R. 499). The petition for a writ of certiorari was filed August 1, 1944. The

jurisdiction of this Court is invoked under Section 240 (a) of the Judicial Code as amended by the Act of February 13, 1925.

QUESTIONS PRESENTED

1. Whether the court below, in affirming the judgment of the district court, did so on the ground that the patent claims in dispute lacked invention; and, if so,
2. Whether the court below was justified in determining that question where it had not been raised specifically by respondent and had not been passed upon by the district court.

STATUTE INVOLVED

Section 4915 of the Revised Statutes (35 U. S. C. 63) provides:

Whenever a patent on application is refused by the Board of Appeals or whenever any applicant is dissatisfied with the decision of the board of interference examiners, the applicant, unless appeal has been taken to the United States Court of Customs and Patent Appeals, and such appeal is pending or has been decided, in which case no action may be brought under this section, may have remedy by bill in equity, if filed within six months after such refusal or decision; and the court having cognizance thereof, on notice to adverse parties and other due proceedings had, may adjudge that such applicant is entitled, according to law, to receive a patent for his invention, as specified in his

claim or for any part thereof, as the facts in the case may appear. And such adjudication, if it be in favor of the right of the applicant, shall authorize the commissioner to issue such patent on the applicant filing in the Patent Office a copy of the adjudication and otherwise complying with the requirements of law. In all cases where there is no opposing party a copy of the bill shall be served on the commissioner; and all the expenses of the proceedings shall be paid by the applicant, whether the final decision is in his favor or not. In all suits brought hereunder where there are adverse parties the record in the Patent Office shall be admitted in whole or in part, on motion of either party, subject to such terms and conditions as to costs, expenses, and the further cross-examination of the witnesses as the court may impose, without prejudice, however, to the right of the parties to take further testimony. The testimony and exhibits, or parts thereof, of the record in the Patent Office when admitted shall have the same force and effect as if originally taken and produced in the suit.

STATEMENT

Petitioner brought suit in the District Court of the United States for the District of Columbia under the above statute seeking a decree authorizing the Commissioner of Patents to issue a patent containing certain claims of one of three pending

patent applications.¹ The Commissioner answered, averring that the claims in question were "unpatentable in view of the prior patent to Jenkins, 2,167,211, July 25, 1939, * * * in view of the proceedings in Interferences Nos. 60,087 and 60,089 * * * and for the reasons given in the statement of the Primary Examiner" (R. 8-9).

The claims relate to oil cracking,² and were parts of original applications filed by one Herthel, the assignor of petitioner. The claims became involved in a lengthy interference proceeding with an application of one Jenkins in the Patent Office, which was resolved by a decision of the Court of Customs and Patent Appeals adjudging Jenkins to be prior where the substances to be added to the oil were described broadly, and holding Herthel to be prior in so far as the use of fuller's earth as an absorbent

¹ Claims 14 and 15 of Application No. 167,716; or claims 1 and 2 of Application No. 376,530; or claims 1 and 2, or 3 and 4 of Application No. 394,491.

² The district court described these claims as disclosing "the idea of adding finely divided absorbent substance such as fuller's earth to the oil circulating through the heating tubes of an oil cracking still while maintaining the velocity of circulation sufficiently high to insure the continuance of the absorbent in intimate admixture with the oil during its passage through the heating element. The oil circulating through the heating tubes in contact with the heated tube walls accordingly is intimately admixed with finely divided absorbent which selectively absorbs the more objectionable constituents of the cracking reaction as they are formed and while they are therefore in their most active state. By this process the deposition of carbon on the heating surfaces of the oil cracking still is prevented or greatly reduced." (R. 10-11.)

material was specified (claims 5 and 6). *Jenkins Petroleum Process Co. v. Herthel*, 102 F. (2d) 965.

After the conclusion of the interference proceedings, a patent was granted to Jenkins. Petitioner, whose application was still pending, in addition to claims 5 and 6 specifying fuller's earth which had been allowed in the interference proceeding, also sought to have allowed the claims here involved. These were rejected by the Primary Examiner and by the Board of Appeals of the Patent Office on the ground that they fell within the subject matter of Jenkins' prior claims (R. 235-278).

The district court upheld this result. Holding that in the interference proceedings priority had been awarded to Jenkins on the counts which recited in broad terms the substance added to the oil, and to Herthel on the counts limited to fuller's earth as the added substance, the district court found that the subject matter of the claims involved in the present action was not limited to fuller's earth as the absorbent material and was disclosed in the original Jenkins' application. It concluded as a matter of law that the decision of the Court of Customs and Patent Appeals as to priority of invention was *res judicata*, and also that petitioner was not entitled to a patent containing any of the claims involved in this suit. (R. 11-12.) On appeal, the Court of Appeals affirmed in a *per curiam* opinion.

ARGUMENT

Petitioner contends that the court below, by holding the claims in suit unpatentable over the prior art, has erred in deciding the case on a ground neither presented to nor considered by the District Court, without the presence of any public interest which would justify a review of patentability on the court's own motion. We submit that this argument is unfounded.

1. Petitioner's contention is based on a misapprehension of the decision of the Court of Appeals. The Court of Appeals pretermitted the question whether the judgment of the Court of Customs and Patent Appeals was *res judicata* in view of the provisions of R. S 4915. The decision holds that petitioner's claims were unpatentable because of the priority of the patent to Jenkins. These two issues were apparent throughout the litigation. In the district court the respondent's answer alleged that the petitioner's claims are "unpatentable in view of the prior patent to Jenkins" and "in view of the proceedings in Interferences Nos. * * *" (R. 8-9). The district court concluded as a matter of law both that the question of priority of invention was *res judicata* and that the petitioner was not entitled to a patent containing the disputed claims (R. 11-12). In the Court of Appeals the respondent contended both that the decision of the Court of Customs and Patent Appeals is a bar to the

present suit, and that in any event the claims asserted are readable upon the disclosures of Jenkins.

In the light of this history of the litigation there can be no real doubt that the opinion below, after reserving the question of estoppel by judgment, and stating "that the disputed claims were unpatentable over the prior art; hence they were properly rejected by the Patent Office and the district court," must have referred to the Jenkins patent as constituting the prior art.

Support for this construction of the opinion below is found in the court's citation of *Daniels v. Coe*, 116 F. (2d) 941, 945; *Abbott v. Coe*, 109 F. (2d) 449, 451-452; and *Morrison v. Coe*, 127 F. (2d) 737, 738. The exact pattern of the instant case is found in *Daniels v. Coe*, 116 F. (2d) 941, 945;³ and both that case and the other two cited

³ *Daniels v. Coe*, like the present case, involved an interference, the issuance of a patent to the successful party (Robie), and a subsequent attempt by the unsuccessful party to have a patent issued involving claims which either were or might have been decided in the interference proceeding. Following an adverse ruling by the Patent Office, the unsuccessful applicant commenced suit in the district court under R. S. 4915, and following an adverse ruling there, he appealed to the Court of Appeals for the District of Columbia. That court held certain of the claims unpatentable in the light of the patent to the successful interference claimant, and others barred by the decision in the interference proceedings, saying: "Upon this record we cannot say that the Patent Office and the District Court are clearly wrong in their determinations that claims 44, 46, 47, and 52 are unpatentable in the light of the Robie patent. In our view,

are based upon the rationale that the judgment below must be affirmed unless the Court of Appeals is prepared to say "that the Patent Office and the District Court were clearly wrong" (*Morrison v. Coe*, 127 F. (2d) 737, 738), and that "disagreement is not sufficient for reversal" (*Abbott v. Coe*, 109 F. (2d) 449, 451). Had the court below intended to hold that the claims were precluded by prior art other than Jenkins' application, it would in all likelihood have cited its recent prior opinion in *Radtke Patents Corp. v. Coe*, 122 F. (2d) 937, 940, a decision directly in point on that question. We submit, accordingly, that the import of the *per curiam* opinion below was to affirm the decision of the district court on grounds relied upon both by it and by the Patent Office in rejecting the claims.

2. Even if it were assumed that the court below intended to rule that prior art other than Jenkins' precluded a patent to petitioner, no ground for review would exist. The issue whether, assuming petitioner's claims were not readable on the Jenkins application, they constitute a patentable advance over that application, was presented to the court below. Respondent's brief stated (pp. 7-8):

Moreover, even assuming that Jenkins does not disclose the rapid circulation set forth in the appellant's claims, such claims could not be allowed unless they define in-

plaintiff is estopped from making claims 49 and 50. The judgment of the District Court dismissing plaintiff's bill of complaint must be affirmed."

vention over the invention defined in the counts of interference No. 60,087 and over what Jenkins does disclose or, in other words, unless it required invention to speed up the circulation to the point where deposition of carbon and absorbent would be prevented. It seems obvious that no invention was involved in this idea. It is well known that a high velocity current will carry away particles which would be dropped by a slower one, and the flushing of conduits of various kinds by a high speed liquid current is conventional. Accordingly, if it were found that the absorbent and carbon were being deposited to an objectionable extent in the Jenkins system, it would be a natural and obvious thing to speed up the oil flow to take them out. This was conceded by plaintiff's witness Smith and it is also significant that, according to Smith's testimony the increasing of the current speed was the expedient actually tried when it was desired to lessen deposition in the tubes of the Jenkins still. [R. 34, 48-50.] Accordingly it is thought that the appellant should not be allowed claims which, if they distinguish over Jenkins and the issue of interference No. 60,087 at all, do so only on the basis of this obvious expedient.

Indeed, petitioner's brief recognized the issue, stating (p. 62):

Point III. The question presented by this point is whether the Herthel process as de-

fined in the claims now before the Court embodies a patentable advance over the procedure originally disclosed in the Jenkins application, the latter having admittedly been conceived and reduced to practice by Jenkins prior to Herthel's conception and reduction to practice, respectively, of the invention for which patent protection is now sought.

Thus there was before the court the contention, supported by evidence in the record, that the claims in suit did not involve invention in whatever respect they may not have been included in the Jenkins patent.

The contention which petitioner is here seeking to raise was advanced in the petitions for certiorari to review *Radtke Patents Corp. v. Coe, supra*, and certiorari was denied, 314 U. S. 695. See *Hill v. Wooster*, 132 U. S. 693, relied on in that case, holding that the issue of invention is always present in a proceeding under R. S. 4915, whether or not the parties raise it.

CONCLUSION

The decision of the court below is correct and there exists no conflict. We respectfully submit, therefore, that the petition for a writ of certiorari should be denied.

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United States Patent Office.

SEPTEMBER 1944.



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CHARLES ELIJAH DRAPLEY
CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1944

No. 310

SINCLAIR REFINING CO.,

Petitioner,

v.

CONWAY P. COE, Commissioner of Patents,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS FOR
THE DISTRICT OF COLUMBIA

REPLY BRIEF FOR PETITIONER

W. B. MORTON,
LOUIS D. FORWARD,
Attorneys for Petitioner.

Sept. 19, 1944.



IN THE
Supreme Court of the United States
OCTOBER TERM, 1944

No. 310

SINCLAIR REFINING CO.,
Petitioner,
v.

CONWAY P. COE, Commissioner of Patents,
Respondent.

REPLY BRIEF FOR PETITIONER

The Respondent contends that Petitioner is in error in stating that the Court of Appeals for the District of Columbia decided this case on grounds not presented or considered in the lower Court. This contention is based on respondent's assumption that the Court of Appeals in "stating * * * 'that the disputed claims were unpatentable over the prior art' must have referred to the Jenkins patent as constituting the prior art" (Respondent's brief, p. 7). There is no basis for this assumption. The Jenkins patent is *not* prior art to the application here under consideration. The Jenkins patent issued on the application which was in interference with the Herthel application and contains as claims 23, 24 and 25 the counts of the interference issue which were awarded to Jenkins. The Herthel application contains as allowed claims numbered 5 and 6 (not here in dispute) the counts of the interference issues which were awarded to Herthel. This

award was made to Herthel because he established by evidence satisfactory to the Patent Office and the Court of Customs and Patent Appeals a date of invention prior to the Jenkins application date. As to counts which are now claims 23, 24 and 25 of the Jenkins patent, the Court of Customs and Patent Appeals awarded Jenkins a still earlier date. The testimony in the interference and the evidence submitted before the trial Court fully establish the practice by Herthel of the process defined by the claims here in dispute prior to the application date of the Jenkins patent, and it is not contended otherwise. It is inconceivable that the Court of Appeals could have meant the Jenkins *patent* when they said "the claims were unpatentable over the prior art".

The Jenkins patent is pertinent merely to the extent that the application of the patent as originally filed may disclose the subject-matter of the claims in issue. On the question of priority the decision of the Court of Customs and Patent Appeals is *res adjudicata* against *both* parties. After final decision in an interference, neither party can ask for a claim which could have been founded on the *original* application of the other party, for an interference decision, like any other judicial decision, determines not only the issues presented but the issues which could have been presented.

Hence, with respect to a claim presented subsequent to an interference, not only must the novelty and patentability over the prior art be considered, but it must also be determined that the claim is not directed to subject-matter disclosed in the original application of the other interfering party. As pointed out in our Brief in Support of the Petition for Certiorari (pp. 8, 9), the questions of novelty and patentability over the prior art of the Herthel and Jenkins inventions were fully considered by the Patent Office, and the claims here in dispute were rejected solely on the basis of the interference proceedings and the claims awarded to Jenkins as a result of that proceedings.

An action such as this under R. S. 4915 is a new action with the Commissioner of Patents as the sole defendant. Like any other defendant in an original action, he may set up any matters of defense which he believes to be sound. The solicitor for the Patent Office could have set up in his answer any prior art that he believed to be anticipatory and thus present that issue for trial in these proceedings, notwithstanding it had been decided favorably to applicant by the patent Examiner. The solicitor for the Patent Office did not do so and consequently Petitioner submitted no testimony whatsoever with regard to the novelty, etc. of the new claims.

The Court of Appeals of the District of Columbia understood fully that the issue presented here by the pleadings and decided by the District Court was limited to the patentability of the claims to Herthel in view of the interference with Jenkins. It was for that reason that the Court of Appeals of the District of Columbia in its opinion raised the question of whether "this proceeding was properly brought under 4915 R. S." The Court expressed the view at the argument that this *might* be a question between Herthel and Jenkins which should be decided in an *inter partes* proceeding. The Court of Appeals apparently preferred not to make a ruling on this question of the scope of R. S. 4915. From the *per curiam* opinion it is plain that the Court of Appeals did not wish to be understood as deciding in an *ex parte* R. S. 4915 action the question of patentability as between two former litigants and that they were therefore deciding the case on *other grounds*, namely, patentability over the prior art.

No other construction can be placed on the *per curiam* decision of the Court of Appeals of the District of Columbia, and there is no support whatsoever for the expressed belief of the solicitor for the Patent Office that the Court of Appeals⁵ for the District of Columbia meant

merely the Jenkins patent when it said the claims were "unpatentable over the prior art."

The Solicitor for the Patent Office calls attention (p. 7 of his Brief) to the citation by the Court of Appeals in its *per curiam* opinion, of the following decisions:

Daniels v. Coe, 116 F. (2d) 941, 945;
Abbott v. Coe, 109 F. (2d) 449, 451-452;
Morrison v. Coe, 127 F. (2d) 737, 738.

He deduces from the citation of these cases that the Court must have meant by the expression "unpatentable over the prior art", unpatentable over *the Jenkins patent*. His stated reason for this deduction is that in *one* of these cases (*Daniels v. Coe*) the plaintiff had been in a Patent Office interference and one of the grounds of rejection was patentability of the presented claims in view of the award to his adversary. It is noted that in *Daniels v. Coe* the Court decided that the claims presented were unpatentable over the interference counts constituting the claims of the patent granted the former interfering party, *but in no instance is that patent referred to as "prior art"*.

The Court of Appeals obviously cited these *three* cases because of the ruling common to all *three* cases, namely, that an appellant from an adverse decision in a R. S. 4915 action must convince the Court of Appeals that the lower Court and the Patent Office were "clearly wrong" in their conclusions that the patent should be refused. From this established rule, which deals only with the *weight* to be given the decisions of the lower tribunals, the Court of Appeals reasoned that it can affirm the judgment of the lower Court without deciding the issues presented if for *any reason* it was of the opinion that the patent should not be granted.

It is Petitioner's contention that such practice is contrary to the established procedure of this Court and results in a final ruling adverse to the applicant on the claims sought to be patented *without any review* of the decision so made, and without any opportunity for the applicant to present, by brief and argument, his reasons why the grounds on which his patent is finally refused by the Court of Appeals are unsound.

On pages 8 and 9 of his brief, the solicitor for the Patent Office attempts by a short quotation from its own brief before the Court of Appeals, to make it appear that the difference between the Herthel and Jenkins processes lies merely in the fact that in the Herthel process the oil is circulated fast enough to prevent an accumulation of sediment in the tubes. This is not the fact. In *both* the *Herthel* and *Jenkins* processes the circulation of oil is fast enough to prevent the accumulation of sediment in the tubes. The difference lies elsewhere, but Petitioner will not undertake to explain either process within the confines of a brief in support of a petition for certiorari. The question presented by this petition is solely whether or not the applicant is entitled to a review of the question decided by the lower Court in this case, or must he accept as final the refusal of his claims *on other grounds* without the opportunity to contest that refusal and offer evidence to establish that the reasons for such refusal are unsound. Until the right of review is granted, any discussion of the nature of the invention, etc. is premature.

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LOUIS D. FORWARD,
Attorneys for Petitioner.

New York, N. Y.,
Sept. 19, 1944.